

Honorable Benjamin H. Settle

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WASHINGTON
AT TACOMA**

**JEAN PIERRE REY, an individual, and ILZE
SILARASA, an individual,**

Plaintiff,

v.

**MICHEL REY and RENEE REY, husband and
wife; US INVESTMENT GROUP
CORPORATION, a Washington corporation; US
GROWING INVESTMENTS INC., a
Washington corporation; VISITRADE INC., a
Washington corporation; BUILDERS SURPLUS
NORTHWEST INC., a Washington corporation;
and NEVAWA, INC., a Nevada corporation,**

Defendants.

NO.: 3:14-cv-05093 BHS

**ORDER GRANTING
PLAINTIFFS' MOTION
REGARDING SALE OF REAL
PROPERTIES, ETC.**

Clerk's Action Required

THIS MATTER having come on for determination upon the Motion Regarding Sale of Real Properties submitted by Plaintiffs Jean Pierre Rey and Ilze Rey and Defendant Visitrade, Inc., and the Court having reviewed the records and files herein and finding good cause therefore, NOW, THEREFORE:

ORDER

IT IS HEREBY ORDERED that the distribution of funds from the sale of real properties referred to in the Court's April 2, 2018 Order shall be as follows:

The Firehouse Property

1. *The Firehouse Property.* The “Firehouse” is the commercial property located at 495 Morrill Ave, Reno, Nevada 89512, Tax Parcel No. 008-342-07 (the “Firehouse”), the legal description of which is:

PARCEL NO. 1:

Lot 105 of DOWNTOWN SERVICE CENTER, according to the map thereof, filed in the Office of the County Recorder of Washoe County, Nevada, on April 19, 1973, as File No. 283250, of Official Records, as Tract Map No. 1379.

PARCEL NO. 2:

BEGINNING at the Northwest corner of Lot 105 of the DOWNTOWN SERVICE CENTER SUBDIVISION filed with the Washoe County Recorder on April 19, 1973;

THENCE Southerly 81.82 feet to the Southwest corner of said Lot 105;

THENCE Westerly 10 feet to the centerline of the alley;

THENCE Northerly along the centerline of said alley to the point of intersection with the South right-of-way line of East Fifth Street;

THENCE Easterly to the Northwest corner of said Lot 105, to the point of beginning.

APN: 008-342-07

2. *Closing of Firehouse Sale.* Ortolí Rosenstadt, LLP (“the Ortolí firm”) – represented by Maupin, Cox & LeGoy (“MCL”) and MDK Law (“MDK”) – as well as Visitrade Inc. (“Visitrade”) – represented by the Gunderson Law Firm (“Gunderson”) and the Hunsinger Law Firm (“Hunsinger”) – each seek to act on behalf of Visitrade with respect to the sale of the Firehouse to Javelin Properties, LLC for One Million Eight Hundred Fifty Thousand Dollars (\$1,850,000.00). Solely for the purpose of facilitating the sale of the Firehouse, Visitrade and the Ortolí Firm shall both be entitled to speak for and act on behalf of Visitrade with respect to only the Firehouse sale as follows:

1 i. Only members of the Ortoli firm, MCL, and MDK shall communicate with
2 the third parties¹ on behalf of the Ortoli Firm, and only members of Gunderson and Hunsinger
3 shall communicate with the third parties on behalf of Visitrade.

4 ii. All written communications (documentary or electronic) from either party
5 to any third party shall be cc'd to the other party, and any written communication received by one
6 party shall be promptly forwarded to the other party if the latter was not cc'd.

7 iii. Each party shall be promptly notified of any non-written communications
8 to or from third parties by the other party.

9 iv. All documents that are required to be signed by Visitrade with respect to
10 the sale of the Firehouse shall be signed by both Gunderson or Hunsinger on behalf of Visitrade
11 and either Richard Ortoli, Marc Gottlieb, MCL, or MDK on behalf of the Ortoli firm with the
12 exception of (v) and (vi).

13 v. With the exception of the Owner's/Borrower's Affidavit and the Indemnity
14 Agreement pertaining to the Owner's/Borrower's Affidavit, any document that is required to be
15 signed by Visitrade or produced by Visitrade regarding the status or condition or operations of
16 the Firehouse, particularly the Real Property Disclosure Form, shall be signed or produced by the
17 Ortoli firm only, which shall provide a copy of each such document to the Gunderson firm at least
18 48 hours before sending it to the recipients.

19 vi. Jean Pierre Rey shall sign the Grant, Bargain and Sale Deed, the
20 Owner's/Borrower's Affidavit, the Indemnity Agreement pertaining to Owner's/Borrower's
21 Affidavit, and any other closing documents reasonably required by First American Title Insurance
22 Company.

23 ¹ Third parties" referenced herein include the parties' real estate agents and other representatives, the escrow agents
24 and title insurers, and any and all other parties involved in the sales.

1 3. *Credit For Sale of Property.* Javelin Properties, LLC shall be entitled to a credit
2 of Twenty Seven Thousand Five Hundred Dollars (\$27,500.00) in the escrow to close the
3 Firehouse Sale.

4 4. *Removal of Encumbrance on Firehouse.* The Ortolí Firm shall cause all
5 reasonably necessary documents to be deposited with escrow and to be recorded upon the close
6 of escrow for the Firehouse that will remove any encumbrance or cloud upon title as a result of
7 the recordation of the Notice of Court Order Approving Settlement Involving Sale of Properties
8 that was recorded with the Washoe County Recorder's office on March 29, 2019 as document
9 number 4898295.

10 5. *Deposit of Funds into Court Registry.* Upon closing of the pending Firehouse sale,
11 all of the proceeds, minus the amount for standard closing costs, including but not limited to the
12 credits, prorations and apportionments of costs, expenses, and commissions contained in the
13 Purchase and Sale Agreement, shall be immediately remitted by First American Title Insurance
14 Company to the Clerk of the United States District Court of Western Washington at Tacoma ("the
15 District Court"):

16 United States Courthouse
17 1717 Pacific Avenue
18 Tacoma, WA 98402

19 6. *Disbursement of Funds.* Once deposited in the District Court's registry, there shall
20 be no disbursement of the funds without further order from the District Court, EXCEPT that the
21 following disbursements shall be made by the District Court Clerk without delay, as follows:

22 i. One Hundred and Twenty-Five Thousand Dollars (\$125,000.00) to Smyth
23 & Mason, PLLC, 701 Fifth Avenue, Suite 7100, Seattle, WA 98104.

24 ii. Four Hundred Thousand Dollars (\$400,000.00) to Renee Rey, c/o Morgan
25 Hill PC, 2102 C Carriage Drive SW, Olympia, WA 98502.

 iii. Fourteen Thousand Three Hundred Eight Six Dollars and Seventeen Cents
 (\$14,386.17), together with statutory interest from September 11, 2014 through the date of

1 payment, to Michel Rey, c/o Vandenberg Johnson & Gandara, LLP, PO Box 1315, 1201 Pacific
2 Avenue, Suite 1900, Tacoma, WA 98401.

3 Promptly following said payment to Michel Rey, the judgment entered in favor of Michel
4 Rey against Jean Pierre Rey in this action on or about September 10, 2014 shall be satisfied in full
5 by the filing of a Full Satisfaction of Judgment.

6 Promptly following receipt of said payment to Michel Ray, Vandenberg Johnson &
7 Gandara, LLP shall deliver to Jean Pierre Rey those six watches currently in its possession that are
8 depicted in the June 5, 2019 emails sent from Lucy Clifthorne to Jean Pierre Rey, c/o his attorney,
9 Michael Hunsinger, The Hunsinger Law Firm, 6100 219th St. SW, Suite 480, Mountlake Terrace,
10 WA 98043.

11 All remaining funds shall remain in the District Court's registry until a subsequent order
12 is entered by the District Court.²

13 **The Residential Property**

14 1. *The Residential Property.* The Residential Property is located at 5920 Lausanne
15 Drive, Reno, Nevada 89511, Tax Parcel No. 148-081-10 (the "Residential Property"), the legal
16 description of which is:

17 All that certain real property situate in the County of
18 Washoe, State of Nevada, described as follows:

19 Lot 221 of MONTREUX – UNIT 2, according to the map
20 thereof, filed in the office of the County Recorder of Washoe
21 County, State of Nevada, on April 9, 1997, as File No.
2087150, and by Certificate of Amendment recorded

22 ² The proposed stipulated order the parties submitted including the following language at the end of the
23 sentence: "on notice to counsel for all parties to the lawsuit in Washington." The Court has removed this
24 language because it is at best redundant and confusing. Any party may file objection to the Court's
25 modification of the language by June 21, 2019, and if a party so objects, the stipulation shall be null and
void. The Court has made the same modification to the text on page 7 of the stipulation, and the same
opportunity to object applies.

January 20, 1998 in Book 5105, Page 447 as Document No.
2171914 Official Records, Tract Map No. 3365.

APN: 148-081-10

2. *Closing of Residential Property Sale.* The Ortoli Firm – represented by MCL and MDK – as well as Visitrade – represented by Gunderson and Hunsinger – each seek to act on behalf of Visitrade with respect to the sale of the Residential Property to M & M Ranch, LLP for Two Million Twenty Five Thousand Dollars (\$2,025,000.00). Solely for the purpose of facilitating the sale of the Residential Property, Visitrade and the Ortoli Firm shall both be entitled to speak for and act on behalf of Visitrade with respect to only the Residential Property sale as follows:

i. Only members of the Ortoli firm, MCL, and MDK shall communicate with the third parties³ on behalf of the Ortoli Firm, and only members of Gunderson and Hunsinger shall communicate with the third parties on behalf of Visitrade.

ii. All written communications (documentary or electronic) from either party to any third party shall be cc'd to the other party, and any written communication received by one party shall be promptly forwarded to the other party if the latter was not cc'd.

iii. Each party shall be promptly notified of any non-written communications to or from third parties by the other party.

iv. All documents that are required to be signed by Visitrade with respect to the sale of the Residential Property shall be signed by both Gunderson or Hunsinger on behalf of Visitrade and either Richard Ortoli, Marc Gottlieb, MCL, or MDK on behalf of the Ortoli firm with the exception of (v) and (vi).

v. Any document that is required to be signed by Visitrade or produced by Visitrade regarding the status or condition or operations of the Residential Property shall be

³ Third parties” referenced herein include the parties’ real estate agents and other representatives, the escrow agents and title insurers, and any and all other parties involved in the sales.

signed or produced by the Ortolí firm only, which shall provide a copy of each such document to the Gunderson firm at least 48 hours before sending it to the recipients.

vi. Jean Pierre Rey shall sign the conveyance deed prepared by Ticor Title Insurance Company and any other closing documents reasonably required by Ticor Title Insurance Company.

3. *Removal of Encumbrance on the Residential Property.* The Ortolí Firm shall cause all reasonably necessary documents to be deposited with escrow and to be recorded upon the close of escrow for the Residential Property that will remove any encumbrance or cloud upon title as a result of the recordation of the Notice of Court Order Approving Settlement Involving Sale of Properties that was recorded with the Washoe County Recorder's office on March 29, 2019 as document number 4898295.

4. *Deposit of Funds into Court Registry.* Upon closing of the pending Residential Property sale, all of the proceeds, minus the amount for standard closing costs, minus the amount for standard closing costs, including but not limited to the credits, prorations and apportionments of costs, expenses, and commissions contained in the Purchase and Sale Agreement, shall be immediately remitted by First American Title Insurance Company to the Clerk of the United States District Court of Western Washington at Tacoma ("the District Court"):

United States Courthouse
1717 Pacific Avenue
Tacoma, WA 98402

5. *Disbursement of Funds.* Once deposited in the District Court's registry, there shall be no disbursement of the funds without further order from the District Court, EXCEPT that the following disbursements shall be made by the District Court Clerk without delay, as follows:

i. Two Hundred Thousand Dollars (\$200,000.00) to Renee Rey, c/o Morgan Hill PC, 2102 C Carriage Drive SW, Olympia, WA 98502.

All remaining funds shall remain in the District Court's registry until a subsequent order is entered by the District Court.

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Dispute Resolution

Any disputes arising from this Order by and between The Ortoli Firm and Visitrade, including but not limited to the payment of attorneys' fees to, and reimbursement of monies advanced by, the Ortoli firm will be submitted to either George Finkle, Larry Jordan, or Paris Kallas at Judicial Dispute Resolution (JDR) located in Seattle, for resolution by arbitration. Any other disputes between any of the parties hereto with respect to this case, shall be resolved by this Court, pursuant to ¶25 of the Settlement Term Sheet and the Court's April 2, 2018 Stipulated Order of Dismissal.

IT IS SO ORDERED this 13th day of June, 2019.



BENJAMIN H. SETTLE
United States District Judge

Presented By:

THE HUNSINGER LAW FIRM

MICHAEL D. HUNSINGER, WSBA # 7662
The Hunsinger Law Firm
6100 219th Street SW, Suite 480
Mountlake Terrace, WA 98043
Telephone: (425) 582-5730
E-mail: mike@hunsingerlawyers.com
Attorney for Jean Pierre Rey and Ilze Rey

Approved for Entry By:

MDK Law

1
2 **MARK D. KIMBALL, WSBA # 13146**
3 **DENNIS R. KASIMOV, WSBA # 51303**
4 777 108th Ave NE, Suite 2000
5 Bellevue, WA 98004
6 Telephone: (425) 455-9610
7 E-mail: mkimball@mdklaw.com
8 E-mail: dkasimov@mdklaw.com
9 *Attorneys for Ortoli Rosenstadt, LLP*

10
11 **VANDEBERG JOHNSON & GANDARA**

12 **LUCY RUSSELL CLIFTHORNE, WSBA #27287**
13 PO Box 1315
14 1201 Pacific Avenue, Suite 1900
15 Tacoma, WA 98401
16 E-mail: korr@vjglaw.com
17 Email: lclifthorne@vjglaw.com
18 *Attorneys for Defendants Michel Rey, US Investment Group Corporation, US Growing*
19 *Investments Inc., Visitrade Inc., Builders Surplus Northwest Inc., Nevawa, Inc.*

20
21 **MORGAN HILL PC**

22 **ROBERT M. HILL, WSBA # 21857**
23 **MEGAN RUE, WSBA #42425**
24 2102 C Carriage Drive SW
25 Olympia, WA 98502
rob@olympialegal.com
megan@morganhill-law.com
Attorneys for Defendant Renee Rey